

Congress of the United States
Washington, DC 20515

April 18, 2018

The Honorable Keith Hall
Director
Congressional Budget Office
Ford House Office Building
Second Street S.W. and D Street S.W.
Washington, DC 20515-6925

Dear Director Hall:

We write to you to request the Congressional Budget Office provide details on the April 13, 2018 Cost Estimate for several provisions contained in Title I of H.R. 2, the Agriculture and Nutrition Act. We strongly believe that these changes must be taken into account if we are to have a true economic score of the bill and an understanding of its implications for the farm economy and the U.S. Treasury.

Both Sections 1603 and 1604 of H.R. 2 would make substantial changes on payment limits and qualifications requirements for Agriculture Risk Coverage (ARC) and the Price Loss Coverage (PLC), specifically regarding exemptions to "pass through" entities. Section 1111 of the bill also establishes a new definition of "effective reference price" for PLC that will result in higher payments when market conditions lead to higher prices. In addition, Section 1501 of H.R. 2 makes a significant modification to Supplemental Disaster Assistance programs by removing qualification requirements for certain farmers.

We are deeply concerned that, if enacted into law, these provisions would create loopholes for wealthy individuals to take advantage of several Title I programs, subverting the intent of Congress. We request that the Congressional Budget Office provide the following information and materials to our offices so we can better understand the impact these changes will have including;

1. a statistical analysis and the economic models that were used in the CBO's cost estimate report on the ARC and PLC provisions in Title I, Subtitle A and the Supplemental Disaster Assistance programs in Title I, Subtitle E;
2. a distributional analysis relative to current law of Sections 1501, 1603 and 1604 in order to determine what these changes may have on the recipients of these programs;
3. a score of the PLC provisions in Title I, Subtitle A detailing the impacts that the new "effective reference price" definition in Section 1111 will have on PLC payments;

5. a score of Title I of H.R. 2 without Section 1501 included, in order determine the total cost of this provision.

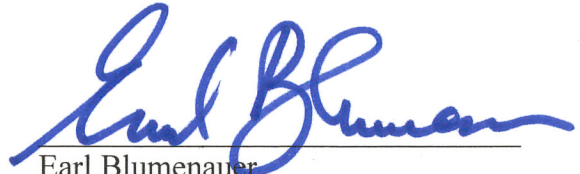
As the country debates the reauthorization of the Farm Bill, including the future of farm support programs, it's imperative for the public to have a full picture on the costs and implications of any changes to payment limits and qualification requirements for commodity support programs.

Thank you for your prompt attention to this important matter. If you have any questions regarding our request, please contact Ethan Holmes in Rep. Kind's office or Kevin Stockert in Rep. Blumenauer's office.

Sincerely,



Ron Kind
Member of Congress



Earl Blumenauer
Member of Congress